

***FIRE DISTRICT NO. 5
Of the Parishes of
Terrebonne and Lafourche***

ANNUAL FINANCIAL REPORT

***FOR THE YEAR ENDED
DECEMBER 31, 2012***

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **AUG 28 2013**

FIRE DISTRICT NO. 5
ANNUAL FINANCIAL REPORT
As of and for the Year Ended December 31, 2012

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FIRE DISTRICT NO. 5
Of the Parishes of Terrebonne and Lafourche
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2012

This discussion and analysis of the Fire District No. 5's financial performance provides a narrative overview of the financial activities as of and for the fiscal year ended December 31, 2012. Please read it in conjunction with the basic financial statements and the accompanying notes to the financial statements.

FINANCIAL HIGHLIGHTS

Our financial statements provide these insights into the results of this year's operations:

- The net position increased as a result of this year's operations. Net position of our governmental activities increased by \$35,032 or almost 3%. At the end of the year assets exceeded liabilities by \$1,287,305 (net assets).
- During the year, expenses for fire protection services were \$476,469 and \$28,680 was recorded as program income. General revenues of \$482,821 were recognized to end the year with revenue exceeding expenses by \$35,032. This compares to last year when revenues exceeded expenses by \$492,770.
- Program expenses increased by over \$20,000 or about 5%.
- Governmental funds ended the year with total fund balance of \$623,385 of which; \$61,039 is restricted for capital projects, \$95,621 is restricted for debt services; and the remainder of \$466,725 is unassigned.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Government-Wide Financial Statements) provide information about the governmental activities as a whole and present a longer-term view of the finances. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds (Fund Financial Statements) tell how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the operations in more detail than the government-wide statements by providing information about the most significant funds.

Our auditor has provided assurance in his independent auditor's report that the basic financial statements are fairly stated. The auditor, regarding the Required Supplemental Information and the Other Supplemental Information is providing varying degrees of assurance. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Annual Report.

FIRE DISTRICT NO. 5
Of the Parishes of Terrebonne and Lafourche
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2012

Government-Wide Financial Statements

One of the most important questions asked about finances is, "Is the Fire District No. 5 as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information as a whole and about activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the net position and changes in them. You can think of net assets—the difference between assets and liabilities—as one way to measure the financial health, or financial position. Over time, increases or decreases in net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, to assess the overall health of the Fire District No. 5.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds—not as a whole. Some funds are required to be established by State laws.

The Fire District No. 5 utilizes the governmental type of fund with the following accounting approach. Most of the basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

FIRE DISTRICT NO. 5
Of the Parishes of Terrebonne and Lafourche
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2012

FINANCIAL ANALYSIS AS A WHOLE (GWFS)

Net position increased from \$1,252,273 to \$1,287,305, approximately 3%. Proceeds from the general obligation bonds issued is restricted for that purpose and consequently unrestricted net assets—the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—reflects a decrease this year until those funds are actually spent. The balance in net assets represents the accumulated results of all past years' operations.

Our analysis below focuses on the net position and changes in net position of the governmental-type activities

Condensed Statement of Net Position

	2011	2012	Dollar Change	Percent Change
	(restated)			
Current and Other Assets	\$ 656,006	\$ 694,277	\$ 38,271	5.8%
Capital Assets	2,251,318	2,175,781	(75,537)	-3.4%
Total Assets	2,907,324	2,870,058	(37,266)	-1.3%
Deferred Outflows	448,715	462,058	13,343	3.0%
Current Liabilities	553,766	87,752	(466,014)	-84.2%
Non-current Liabilities	1,550,000	1,495,000	(55,000)	-3.5%
Total Liabilities	2,103,766	1,582,752	(521,014)	-32.9%
Deferred Inflows	463,394	462,059	(1,335)	-0.3%
Net Invested in Capital Assets	701,318	680,781	(20,537)	-2.9%
Restricted for Capital Improvements	61,310	61,039	(271)	-0.4%
Restricted for Debt Service	38,742	95,621	56,879	146.8%
Unrestricted	450,903	449,864	(1,039)	-0.2%
Total Net Assets	\$1,252,273	\$1,287,305	\$ 35,032	2.8%

Program expenses increased by over \$20,000 while program revenue of various grants for these programs decreased by \$469,252. In the prior year the District received FEMA Grant revenue to repair damages from hurricanes – those funds were not received this year. General revenues for the governmental activities also increased by \$34,347 mainly from additional ad valorem taxes collected. The change in net assets remained relatively stable.

FIRE DISTRICT NO. 5
Of the Parishes of Terrebonne and Lafourche
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2012

Condensed Statement of Activities

	2011	2012	Increase (Decrease)	Percent Change
Total program expenses	\$ (453,636)	\$ (476,469)	\$ 22,833	5.0%
Total program revenues	497,932	28,680	(469,252)	>100%
Net program income	44,296	(447,789)	492,085	>100%
General revenues	448,474	482,821	34,347	7.7%
Change in Net Position	492,770	35,032	(457,738)	92.9%
Net Position				
Beginning of the year	759,503	1,252,273	492,770	39.4%
End of the year	\$1,252,273	\$1,287,305	\$ 35,032	2.8%

FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS (FFS)

The Fire District No. 5 uses funds to help it control and manage money for particular purposes. Looking at individual funds helps you consider whether the District is being accountable for the resources provided to it but may also give you more insight into the overall financial health. A summary of the major funds follows:

The general fund reported an ending fund balance of \$466,725. This reflects a decrease of \$30,018 or 19% from last year. Total revenues for the general fund were \$327,442, a large decrease of over 50% from the prior year. The District received a federal grant from FEMA to purchase communication equipment of \$468,860 in the prior year. Current expenditures for fire protection activities were \$297,424, a decrease of 3% from the prior year.

The construction fund reported an ending fund balance of \$61,039 – all restricted for capital projects and capital outlay purchases. The majority of expenditures (\$2,392) were for this purpose.

The debt service fund reported an ending fund balance of \$95,621. Ad valorem taxes collected were \$181,151 and were used to pay off the principal (\$55,000) and interest (\$69,387) on the outstanding bonds.

FIRE DISTRICT NO. 5
Of the Parishes of Terrebonne and Lafourche
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2012

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the General Fund was not revised during the year. Total revenue and expenditure variances were favorable and in compliance with the Local Government Budget Act.

CAPITAL ASSETS

Capital assets valued at \$2,822,984, net of accumulated depreciation of \$647,203, for governmental activities at year-end were \$2,175,781. This year there were no deletions and \$14,500 of additions including construction in progress and equipment. Depreciation of \$90,037 was recorded on capital assets in the governmental activities. More detailed information about the capital assets is presented in Note 7 to the financial statements.

LONG-TERM DEBT

In 2009 general obligation bonds were issued for the purpose of acquiring and improving buildings, machinery and equipment, including both real and personal property. \$1,600,000 of general obligation bonds of the District, authorized to be issued at a special election held in the District on November 4, 2008, with interest at rates of 5.250% to be payable from ad valorem taxes. The bonds are dated September 1, 2012 and mature on March 1, 2020. Standard & Poor's Public Finance Ratings has assigned it municipal debt rating of A+ to the Bonds.

During the current year \$55,000 was paid for principal and \$69,387 for interest and fees. More detailed information about the long term debt is presented in Note 8 to the financial statements.

FIRE DISTRICT NO. 5
Of the Parishes of Terrebonne and Lafourche
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2012

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Highlights of next year's General Fund budget include:

Condensed Summary of Budgeted
Finances

	<u>2013</u>
Anticipated revenues	\$330,500
Expenditures	
Current	362,302
Capital outlay	<u>7,000</u>
Anticipated expenditures	<u>369,302</u>
Excess of expenditures	(38,802)
Fund Balance:	
Beginning of the year	<u>464,810</u>
End of the year	<u><u>\$ 426,008</u></u>

The Board has committed in the 2013 budget to restrict \$287,000 for contingencies.

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Fire District No. 5's finances and to show accountability for the money it received. If you have questions about this report or need additional financial information, contact:

Mr Douglas Chauvin Sr , Chairman
4317 Hwy 24
Bourg, LA 70343
Phone number 985-594-9588

FINANCIAL SECTION



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

To the Commissioners of
Fire District No. 5
Of the Parishes of Terrebonne and Lafourche

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Fire District No. 5 Of the Parishes of Terrebonne and Lafourche (the District), a component unit of Terrebonne Parish Consolidated Government, as of and for the year ended December 31, 2012, and the notes to the financial statements, which collectively comprise the basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

Our responsibility is to express an opinion on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Statements*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence supporting the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluation the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund as of December 31, 2012 and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance



To the Commissioners of the
Fire District No. 5
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Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 20, 2013, on our consideration of the internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

Stagni & Company

Thibodaux, Louisiana
May 20, 2013



FIRE DISTRICT NO. 5
of the PARISHES OF TERREBONNE and LAFOURCHE

Statement of Net Position
December 31, 2012

ASSETS

Cash	\$ 561,996
Investments	129,981
Unamortized bond issuance costs	-
Prepaid Insurance	2,300
Capital Assets, net of accumulated depreciation	<u>2,175,781</u>
TOTAL ASSETS	<u>2,870,058</u>

DEFERRED OUTFLOWS OF RESOURCES

Ad Valorem taxes receivable	453,607
Due from other governments - ad valorem taxes	<u>8,451</u>
	462,058

LIABILITIES

Accounts payable	70,891
Accrued interest payable	16,861
Noncurrent liabilities	
Due within one year	55,000
Due in more than one year	<u>1,440,000</u>
TOTAL LIABILITIES	<u>1,582,752</u>

DEFERRED INFLOWS OF RESOURCES

Deferred revenue - ad valorem taxes	462,059
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NET POSITION

Net Investment in capital assets	680,781
Restricted for capital improvements	61,039
Restricted for debt service	95,621
Unrestricted	<u>449,864</u>
Total net position	<u>\$ 1,287,305</u>

See notes to financial statements

FIRE DISTRICT NO. 5
of the PARISHES OF TERREBONNE and LAFOURCHE

Statement of Activities - Governmental Activities
For the Year Ended December 31, 2012

FUNCTIONS/PROGRAMS	<u>Expenses</u>	<u>Charges for services</u>	<u>Operating Grants</u>	<u>Net (Expense) Revenue</u>
Public Safety	\$ 476,469	\$ -	\$ 28,680	\$ (447,789)
Total governmental activities	<u>\$ 476,469</u>	<u>\$ -</u>	<u>\$ 28,680</u>	<u>(447,789)</u>
GENERAL REVENUES				
Ad valorem taxes				460,257
Miscellaneous				21,800
Interest earned				764
TOTAL GENERAL REVENUES				<u>482,821</u>
CHANGE IN NET POSITION				35,032
NET POSITION:				
Beginning of year				1,252,273
End of year				<u><u>\$ 1,287,305</u></u>

See notes to the financial statements

FIRE DISTRICT NO. 5
of the PARISHES OF TERREBONNE and LAFOURCHE
Balance Sheet - Governmental Fund - Governmental Funds
December 31, 2012

	General Fund	Construction Fund	Debt Service Fund	Total
ASSETS				
Cash	\$ 343,669	\$ 122,705	\$ 95,622	\$ 561,996
Investments	129,981	-	-	129,981
Ad Valorem taxes receivable	268,410	-	185,197	453,607
Due from other governments	3,443	-	5,008	8,451
Prepaid Insurance & Deposits	2,000	300	-	2,300
TOTAL ASSETS	\$ 747,503	\$ 123,005	\$ 285,827	\$ 1,156,335
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable	\$ 8,925	\$ -	\$ -	\$ 8,925
Retainages payable	-	61,966	-	61,966
Deferred revenue	271,853	-	190,206	462,059
Total current liabilities	280,778	61,966	190,206	532,950
TOTAL LIABILITIES	280,778	61,966	190,206	532,950
EQUITY				
Fund balances				
Restricted for Capital Projects	-	61,039	-	61,039
Restricted for Debt Service	-	-	95,621	95,621
Unassigned	466,725	-	-	466,725
Total equity	466,725	61,039	95,621	623,385

RECONCILIATION TO STATEMENT OF NET ASSETS:

Capital assets used in governmental activities are not financial resources and therefore not reported in the funds

Add - Capital Assets	2,822,984	
Deduct - Accumulated Depreciation	(647,203)	2,175,781

Certain liabilities, such as bonds payable, are not due and payable in the current period and therefore are not reported in the funds

Deduct—bonds payable due within one year	(55,000)
Deduct—bonds payable due in more than one year	(1,440,000)
Deduct—accrued interest on bonds payable	(16,861)

Bond issuance costs are currently expended in the governmental funds, whereas they are capitalized and amortized for net assets

Implementing GASB Statement 65	-
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Net assets of governmental activities \$ 1,287,305

FIRE DISTRICT NO. 5
of the PARISHES OF TERREBONNE and LAFOURCHE
Statement of Revenues, Expenditures, and Changes
in Fund Balances - Governmental Fund - Governmental Funds
For the Year Ended December 31, 2012

	General Fund	Construction Fund	Debt Service Fund	Total
REVENUES				
Ad Valorem Taxes	\$ 279,106	\$ -	\$ 181,151	\$ 460,257
State Supplemental Pay	11,769	-	-	11,769
Fire Insurance Rebate	16,911	-	-	16,911
Miscellaneous	19,069	2,731	-	21,800
Interest	587	62	115	764
TOTAL REVENUES	327,442	2,793	181,266	511,501
EXPENDITURES				
Current - Public Safety				
Salaries & Wages	112,895	-	-	112,895
Payroll Taxes	6,475	-	-	6,475
Retirement	11,017	-	-	11,017
Group Health Insurance	16,627	-	-	16,627
Workmen's Compensation	13,045	-	-	13,045
Employee Uniforms	547	-	-	547
Office Supplies	1,008	-	-	1,008
Medical and drug supplies	422	-	-	422
Communication Equipment	75	-	-	75
Gasoline & Oil	2,735	-	-	2,735
Operating Supplies	13,267	-	-	13,267
Utilities & Telephone	10,871	-	-	10,871
Insurance	44,943	-	-	44,943
Dispatch Services	5,496	-	-	5,496
Legal & Professional	20,652	-	-	20,652
Travel & Training	1,506	-	-	1,506
Membership Dues	306	-	-	306
Miscellaneous	330	-	-	330
Repairs & Maintenance	23,099	672	-	23,771
Total public safety - current	285,316	672	-	285,988
Capital Outlay	12,108	2,392	-	14,500
Debt Service				
Principal payments	-	-	55,000	55,000
Interest and fees	-	-	69,387	69,387
	-	-	124,387	124,387
TOTAL EXPENDITURES	297,424	3,064	124,387	424,875
NET CHANGE IN FUND BALANCES	30,018	(271)	56,879	86,626
FUND BALANCES				
Beginning of year	436,707	61,310	38,742	536,759
End of year	\$ 466,725	\$ 61,039	\$ 95,621	\$ 623,385

See notes to financial statements

FIRE DISTRICT NO. 5
of the PARISHES OF TERREBONNE and LAFOURCHE
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2012

Net change in fund balances - total governmental funds		\$ 86,626
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense</p>		
	Add—capital outlay	14,500
	Deduct—depreciation expense	<u>(90,037)</u>
		(75,537)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes current financial resources of governmental funds</p>		
	Add -payment on long term debt	55,000
	Add—amortization of bond issuance costs	<u>-</u>
		55,000
<p>Accrued interest expense on debt and the amortization of bond issuance costs, discounts, premiums and deferred losses are not recorded by governmental funds, but are reported under interest and fiscal changes for purposes of net assets</p>		
	Add—decrease in accrual for accrued interest payable	963
	Implement GASB 65	<u>(32,020)</u>
Change in net assets - governmental activities		<u>\$ 35,032</u>

***FIRE DISTRICT NO. 5 of the
Parishes of Terrebonne and Lafourche***
Notes to the Financial Statements
For the Year Ended December 31, 2012

The Fire District No. 5 (the District) is governed by a Board of Commissioners appointed by the Terrebonne Parish Consolidated Government organized under La. Revised Statute 40:1492, Terrebonne Parish Ordinance #6781 adopted August 13, 2003, Terrebonne Parish Ordinance #6697 adopted November 10, 2002 and Lafourche Parish Ordinance #3109 adopted November 12, 2002. The District provides for the acquisition, construction, maintenance, and operations of fire protection and emergency medical service facilities, for the purchase of fire trucks and other fire fighting or emergency medical service equipment and paying the cost of obtaining water for fire protection purposes in the Parishes of Terrebonne and Lafourche.

The District implemented GASB Statements 63 and 65 during the current year. The statements provide financial reporting guidance for deferred outflows of resources and deferred inflows of resources which defines those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. The statement also identifies net position as the residual of all other elements presented in a statement of financial position. The changes in implementing these statements are noted throughout the report.

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying basic financial statements have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity

As the governing authority, the Terrebonne Parish Consolidated Government is the financial reporting entity for Terrebonne Parish. The majority of ad valorem tax revenue is received from Terrebonne Parish. Because the Terrebonne Parish Consolidated Government could by definition in statute be financially burdened by the Fire District No 5, the District was determined to be a component unit of the Terrebonne Parish Consolidated Government. The accompanying financial statements present information only on the funds maintained by the District and its component unit and do not present information on the Terrebonne Parish Consolidated Government, the general government services provided by that governmental unit, or the other governmental reporting entity. The accompanying financial statements will be included in the comprehensive annual financial report (CAFR) of the Parish for the year ending December 31, 2012.

***FIRE DISTRICT NO. 5 of the
Parishes of Terrebonne and Lafourche***
Notes to the Financial Statements
For the Year Ended December 31, 2012

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

C. Basis of Presentation

The accounting system is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various funds in the financial statements in this report are as follows:

Governmental Fund Type

Governmental funds account for all or most of the general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid.

The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations. The following are the governmental funds:

General Fund - Accounts for all financial resources and expenditures except those required to be accounted for in other funds.

Debt Service Fund -Accounts for the accumulation of resources for and the payment of principal and interest on long-term general obligation debt of governmental funds.

Capital Project Fund - Accounts for financial resources to be used for the acquisition or construction of major capital facilities

D. Measurement Focus / Basis of Accounting

Fund Financial Statements (FFS)

The amounts reflected in fund financial statements, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of operations.

**FIRE DISTRICT NO. 5 of the
Parishes of Terrebonne and Lafourche**
Notes to the Financial Statements
For the Year Ended December 31, 2012

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

D. Measurement Focus / Basis of Accounting (continued)

The amounts reflected in the fund financial statements, use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available)

Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The court considers all revenues available if they are collected within 60 days after the fiscal year end.

Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues – Ad valorem taxes and the related state revenue sharing are recorded as revenue in the period for which levied, thus the 2010 property taxes which were levied to finance the 2012 budget are recognized as revenue in 2012. The 2012 tax levy is recorded as deferred revenue in the current financial statements. Charges for services are recorded when earned since they are measurable and available. Miscellaneous revenues are recorded as revenues when received in cash by the District because they are generally not measurable or available until actually received.

Expenditures – The major expenditures are recorded when payable or when the fees are incurred.

**FIRE DISTRICT NO. 5 of the
Parishes of Terrebonne and Lafourche**

Notes to the Financial Statements
For the Year Ended December 31, 2012

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

Government-Wide Financial Statements (GWFS)

The government-wide financial statements display information as a whole. These statements include all the financial activities. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from non-exchange transactions are recognized in accordance with the requirements of Section N50

Program Revenues - Program revenues included in the column labeled Statement of Activities are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the general revenues.

E. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates

F. Operating Budgets

As required by Louisiana Revised Statutes, The Board of Commissioners adopted a budget for the District's General Fund. The budgetary practices include public notice of the proposed budget and a public hearing on the budget prior of adoption. The Board must approve any amendment involving the transfer of monies from one function to another, or increases in expenditures. The district amended its budget for the year ended December 31, 2012. All budgeted amounts that are not expended or obligated through contracts lapse at year-end. The General Fund budget is adopted on a basis materially consistent with accounting principles generally accepted in the United States of America.

**FIRE DISTRICT NO. 5 of the
Parishes of Terrebonne and Lafourche**
Notes to the Financial Statements
For the Year Ended December 31, 2012

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

G. Investments

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States or any other federally insured investments, certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana, guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations. Investments consist of deposits in the Louisiana Asset management Pool (LAMP). LAMP is an external pool which is operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC-registered mutual funds to use amortized cost rather than fair value to report net assets to compute share prices if certain conditions are met.

H. Receivables

The financial statements for the District contain no allowance for uncollectible accounts. Uncollectible amounts due for ad valorem taxes are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the funds.

I. Capital Assets

In the government-wide financial statements, additions, improvements and other capital outlays that significantly extend the useful life of an asset are recorded and depreciated (capitalized). Capital assets purchased or acquired with an original cost of \$1000 or more are valued at historical cost or estimated if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. All capital assets, other than land, are depreciated using the straight-line method over the following estimated useful lives:

CATEGORY	LIFE
BUILDINGS AND IMPROVEMENTS	5-40 YEARS
MACHINERY & EQUIPMENT	5-20 YEARS

In the fund financial statements, capital assets purchased in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

**FIRE DISTRICT NO. 5 of the
Parishes of Terrebonne and Lafourche**
Notes to the Financial Statements
For the Year Ended December 31, 2012

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

J. Vacation and Sick Leave

Full time employees are entitled to 18 days vacation after one year of service. Each year the employee must take the vacation time before the anniversary date (the first day of employment). If not taken before the anniversary date, the vacation time is forfeited. The vacation period is increased one day for each year of service over ten years, up to a maximum period of thirty days. There is no material accumulated vacation at year-end.

Every fireman in the employ of a fire protection district shall be entitled to full pay during sickness or incapacity not brought about by his own negligence or culpable indiscretion for a period of not less than fifty-two weeks. A fireman employed by any fire protection district who draws full pay during sickness or incapacity shall have such pay decreased by the amount of workers' compensation benefits actually received by the employee. A fireman is entitled to sick leave benefits even though the injury or illness may have occurred while he was off duty. Firemen are not prohibited from engaging in part-time employment while receiving sick leave. A probationary fireman who is not a regular or permanent fireman is not entitled to sick leave benefits provided by the District. Sick leave does not accumulate for employees; accordingly there is no accrued sick leave as of year-end.

K. Fund Equity

For government-wide financial statements net assets are classified and displayed in three components:

1. Invested in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets, if any.
2. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**FIRE DISTRICT NO. 5 of the
Parishes of Terrebonne and Lafourche**
Notes to the Financial Statements
For the Year Ended December 31, 2012

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

K. Fund Equity (continued)

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as non-spendable, restricted, committed, assigned, or unassigned. Non-spendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is a limitation imposed by the Board through approval in minutes. Assigned fund balances is a limitation imposed by a designee of the Board. Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

Note 2 DEPOSITS AND INVESTMENTS

Deposits:

A summary of deposits are listed as follows:

	Reported Amount	Bank Balance
Cash	\$561,996	\$559,826

State law requires that deposits (cash and certificates of deposit) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and the securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana and certain political subdivisions are allowed as security for deposits. Obligations furnished, as security must be held by the political subdivision or with an unaffiliated bank or trust company for the account of the political subdivision. Under the provision of GASB, pledged securities, which are not in the name of the governmental unit, are considered uncollateralized.

**FIRE DISTRICT NO. 5 of the
Parishes of Terrebonne and Lafourche**
Notes to the Financial Statements
For the Year Ended December 31, 2012

Note 2 DEPOSITS AND INVESTMENTS (continued)

Custodial credit risk is the risk that in the event of a bank failure, deposits may not be returned to it. The District has a written policy for custodial credit risk. At year-end \$309,826 was exposed to custodial credit risk. These deposits were secured by the market value of collateralized deposits.

The Governmental Accounting Standards Board (GASB), which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the pledged securities are considered subject to custodial credit risk under the provisions of GASB Statement 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

Investments:

Investment balances and maturities at year end are as follows

Investment Type	As Reported	Fair Value	Ave Days Maturity
Louisiana Asset Management Pool	\$129,981	\$129,981	Less than 1 year

For an investment, custodial credit risk is the risk that, in the event of a failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Investments in external investment pools are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Commission.

LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2-a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments.

**FIRE DISTRICT NO. 5 of the
Parishes of Terrebonne and Lafourche**
Notes to the Financial Statements
For the Year Ended December 31, 2012

Note 2 DEPOSITS AND INVESTMENTS (continued)

The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or back by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued at amortized cost, which approximates fair value. LAMP is designed to be highly liquid to give its participants immediate access to their account balances

Note 3 AD VALOREM TAXES

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. Assessed values are established by the Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A reevaluation of all property is required to be completed no less than every four years. The last reevaluation was completed for the list of January 1, 2012. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The tax rate for the year ended December 31, 2012 was 16.0 mills of assessed valuation on property within Terrebonne and Lafourche Parish Fire District No. 5 for the purpose of providing fire protection within the District and 9.6 mills for repayment of debt service.

Note 4 DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units consisted of \$8,451 due from the Lafourche Parish Tax Collector for ad valorem taxes collected but not yet remitted.

**FIRE DISTRICT NO. 5 of the
Parishes of Terrebonne and Lafourche**

Notes to the Financial Statements
For the Year Ended December 31, 2012

Note 5 SUPPLEMENTAL PAY

In addition to the compensation paid to employees, firemen may be eligible to receive supplemental pay. The amount of the compensation is determined by State Law and is revised periodically. During the current year the District has recognized revenue and expenditures of \$11,769 in salary supplements received from the State.

Note 6 RISK MANAGEMENT

The District is exposed to various risks of loss related to workmen's compensation; torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters and group health benefits for which the District carries commercial insurance and also participates in the Parish's risk management program for general liability and workers' compensation and group health. The premiums for auto liability are paid to the Parish for reimbursement of commercial carrier premiums. No settlements were made during the year that exceeded the District's insurance coverage.

Note 7 CAPITAL ASSETS

Information about capital assets and depreciation for the year are summarized as follows

	Beginning Balance	Additions	Deletions	Ending Balance
NON-DEPRECIABLE ASSETS				
Land	\$ 125,165	\$ -	\$ -	\$ 125,165
Construction in Progress	1,450,146	2,392	-	1,452,538
	1,575,311	2,392	-	1,577,703
DEPRECIABLE ASSETS:				
Buildings & Improvements	9,769	-	-	9,769
Vehicles, Machinery & Equipment	1,223,405	12,107	-	1,235,512
Total Cost of depreciable assets	1,233,174	12,107	-	1,245,281
Total Cost of assets	2,808,485	14,499	-	2,822,984
ACCUMULATED DEPRECIATION				
Buildings & Improvements	8,210	260	-	8,470
Vehicles, Machinery & Equipment	548,967	89,777	-	638,733
Total accumulated depreciation	557,167	90,037	-	647,203
Net depreciable assets	\$676,007			\$598,078
Net capital assets	<u>\$2,251,318</u>			<u>\$2,175,781</u>

Depreciation Expense of \$90,037 was recorded in the governmental activities

**FIRE DISTRICT NO. 5 of the
Parishes of Terrebonne and Lafourche**
Notes to the Financial Statements
For the Year Ended December 31, 2012

Note 8 LONG TERM DEBT

In 2009 the District authorized the issuance of \$1,600,000 general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds were issued as serial bonds with varying amounts of principal maturing each year at an interest rate of 5.250%. The entire amount of the general obligation bonds is currently outstanding.

Changes in long-term debt. Long-term debt activity for the year was as follows:

	BEGINNING BALANCE	ADDITIONS	PAYMENTS	ENDING BALANCE	DUE WITHIN ONE YEAR
GENERAL OBLIGATION BONDS, SERIES 2009	\$ 1,550,000	\$ -	\$ 55,000	\$ 1,495,000	\$ 55,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

YEAR	PRINCIPAL	INTEREST	TOTAL
2013	\$ 55,000	\$ 65,518	\$ 120,518
2014	60,000	61,883	121,883
2015	60,000	59,273	119,273
2016	65,000	57,316	122,316
2017	70,000	55,035	125,035
2018-2022	400,000	230,798	630,798
2023-2027	530,000	128,285	658,285
2028-2029	255,000	12,813	267,813
	\$ 1,495,000	\$ 670,919	\$ 2,165,919

***FIRE DISTRICT NO. 5 of the
Parishes of Terrebonne and Lafourche***
Notes to the Financial Statements
For the Year Ended December 31, 2012

Note 9 FIREFIGHTERS RETIREMENT SYSTEM

PLAN DESCRIPTION – The District contributes to the Firefighters' Retirement System of Louisiana (the System), a cost-sharing multiple-employer defined benefit public retirement system, which is controlled and administered by a separate Board of Trustees. The System provides retirement, deferred and disability benefits, survivor's benefits and cost of living adjustments to plan members and beneficiaries. Act 434 of the 1979 Louisiana Legislative Session established the plan.

The System is governed by Louisiana R.S. 11 2251 – 11 2269, specifically, and other general laws of the State. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to Firefighters' Retirement System of Louisiana, 2051 Silverside Dr., Suite 210, Baton Rouge, LA 70808-4136 or at their website <http://www.lafirefightersret.com>

FUNDING POLICY – Plan members are required to contribute 8% of their earnable compensation and the District is required to contribute an actuarially determined rate. For the current year, the rate the District contributed to the retirement system was 26%. The contribution requirements of plan members and the District are established and may be amended by state statute. The District's contributions to the System for the years ending December 31, 2010, 2011, and 2012 were \$7,406, \$8,580, and \$11,017 respectively

Note 10 COMPENSATION OF BOARD MEMBERS

No compensation was paid to Board Members for the year.

***REQUIRED SUPPLEMENTAL
INFORMATION***

FIRE DISTRICT NO. 5
of the PARISHES OF TERREBONNE and LAFOURCHE

Budget Comparison Schedule - General Fund
For the Year Ended December 31, 2012

	Budgets		Actual	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES				
Ad Valorem Taxes	\$268,000	\$268,000	\$279,106	\$ 11,106
State Supplemental Pay	12,000	12,000	11,769	(231)
Fire Insurance Rebate	15,000	15,000	16,911	1,911
Miscellaneous	26,000	26,000	19,069	(6,931)
Interest	1,000	1,000	587	(413)
TOTAL REVENUES	322,000	322,000	327,442	5,442
EXPENDITURES				
Public safety - current				
Salaries & Wages	107,500	107,500	112,895	(5,395)
Payroll Taxes	8,000	8,000	6,475	1,525
Retirement	13,000	13,000	11,017	1,983
Group Health Insurance	20,000	20,000	16,627	3,373
Workmen's Compensation	16,300	16,300	13,045	3,255
Employee Uniforms & Physicals	2,200	2,200	547	1,653
Office Supplies	3,300	3,300	1,008	2,292
Medical and drug supplies	2,000	2,000	422	1,578
Communication Equipment	4,000	4,000	75	3,925
Gasoline, Diesel & Oil	7,000	7,000	2,735	4,265
Operating Supplies	8,700	8,700	13,267	(4,567)
Utilities & Telephone	13,500	13,500	10,871	2,629
Insurance	29,100	29,100	44,943	(15,843)
Fire Insurance Rebate	4,000	4,000	-	4,000
Dispatch Services	5,000	5,000	5,496	(496)
Legal & Professional	20,500	20,500	20,652	(152)
Travel & Training	5,000	5,000	1,506	3,494
Miscellaneous	17,200	17,200	636	16,564
Repairs & Maintenance	28,000	28,000	23,099	4,901
Total public safety - current	314,300	314,300	285,316	28,984
Capital expenditures	10,000	10,000	12,108	(2,108)
TOTAL EXPENDITURES	324,300	324,300	297,424	26,876
NET CHANGE IN FUND BALANCES	(2,300)	(2,300)	30,018	32,318
FUND BALANCES				
Beginning of year	2,358	2,358	436,707	434,349
End of year	\$ 58	\$ 58	\$ 466,725	\$ 466,667

***REPORTS REQUIRED BY GOVERNMENT
AUDITING STANDARDS***



STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Commissioners of
Fire District No. 5
Of the Parishes of Terrebonne and Lafourche

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Fire District No. 5 (the District), a component unit of Terrebonne Parish Consolidated Government as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents and have issued our report thereon dated May 20, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we do not express an opinion on the effectiveness of the internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *material weakness* is a deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

To the Board of Commissioners
Fire District No. 5
Of the Parishes of Terrebonne and Lafourche
Page 2

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Stagni & Company

May 20, 2013
Thibodaux, Louisiana



**FIRE DISTRICT NO. 5 of the
Parishes of Terrebonne and Lafourche
SCHEDULE OF CURRENT YEAR FINDINGS
For the Year Ended December 31, 2012**

We have audited the basic financial statements of the Terrebonne Parish Fire Protection District No. 5, a component unit of Terrebonne Parish Consolidated Government, which collectively comprise the basic financial statements as of and for the year ended December 31, 2009, and have issued our report thereon dated May 20, 2013. We conducted our audit in accordance with auditing standards and the standards generally accepted in the United States of America applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Section I - Summary of Auditor's Reports

- The auditor's report expresses an unqualified opinion on the basic financial statements.
- No deficiencies in internal control over financial reporting were disclosed during the audit of the financial statements.
- No instances of noncompliance or other matters under *Government Auditing Standards* were disclosed during the audit of the financial statements.
- No instances of noncompliance under the provisions of Louisiana Governmental Audit Guide were disclosed during the audit of the basic financial statements.
- The District did not receive any federal awards during the year.

Section II - Financial Statement Findings

- There were no financial statement findings during the audit of the basic financial statements.

Section III - Federal Award Findings and Questioned Costs

- There were no federal award findings during the audit of the basic financial statements.